

A
LETTER
CONTAINING
REMARKS
ON THE
Historical Account
OF THE
OLD BANK;

By a GENTLEMAN concerned in neither Bank.



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LETTER

REMARKS

OF THE

OLD BANK

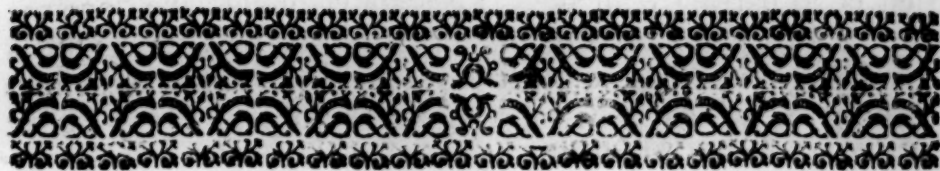
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Printed by M. J. Davis
at the Old Bank



A

LETTER, &c.

DEAR SIR,



Take it as a particular Honour that you have been pleased to ask my Opinion concerning the late *Historical Account*, which seems to have been published by some Friend of the *Old Bank*, under the Company's Direction. As I have no Concern either in the one Bank or the other, I shall not scruple to give my humble Thoughts of it, taking the

Paper itself for my Guide as to the Method. Only I shall use the Freedom, Sir, to put some Questions here and there concerning Facts, which, if my Information is right, (as I have no Reason to doubt it is, having been at Pains to converse with Persons on both Sides) are utterly inconsistent with what is there laid down as certain Truth.

I should be loth to enter into this Enquiry with a Critical Eye, both because the *Historical Account* does not seem to be calculated to bear a Review of that Kind, and because, if the Sente is good, it will shine through a very mean disguise; and if fallacious, no Painting will be able to cover it.

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HOWEVER, the Author has done wisely in one Thing ; that is, in barring Ridicule. I certainly should have done the same thing, had I been in his Place : For in that Light a good Argument has no other Advantage of a bad one, besides being true, which sometimes is not obvious to every Body ; so that a solemn Absurdity has a good Chance not to be detected, if Ridicule, its truest Touchstone, is to be carefully withheld from it.

THE very next Paragraph in his *Preface*, shows how great Occasion this Author had for such a Precaution. He says, " That as to some Things which he gives for true, they do not consist with his own Knowledge ; but he relies upon his Informer's Veracity ; and he adds, that if they are contradicted, he believes his Adversary will bring no better Vouchers for his Authority than he does for his, so that they are upon an equal Footing." Without entering into Particulars, I can't help thinking that this is strange Reasoning. I advance a Thing as true, you deny it: My Comfort is, that my Affirmation is as good as your Denial. I fancy a Bystander would think not. He that affirms ought to prove, for a *Negative* proves its self. Oh ! but what I assert is upon good Authority, my Informer is an honest Man. Take this to Pieces, and it is lame in every Article. The Reader has nothing but an Assertion, to bring him to believe that there is an Authority at all. I may be mistaken as to the Veracity of my Author, and my Author, however Candid, may likewise have been mistaken. One who contradicts, not merely for Contradiction's Sake (which is easily seen from the Thread) has all these very lawful Advantages over one who affirms without proving.

YET as averse as the Author is to Joking, when it makes against him, he condescends to indulge himself in it, when he thinks it serves his Purpose. Your retorted Arguments, and your Quaint Turns, and your Home Thrusts, such as they.

they are, are very frequent in his Work, and Scolding (which is a *Species* of Raillery) is a Figure dispers'd thro' the Whole. He himself owns that he is tart in some Places, which may be his own Partiality to himself; for my Part I do not think him tart at all.

I think I am pretty well thro' the *Preface*. I give the due Applause to the Flings against Modern Projectors and Underlings, and I heartily join in his charitable Intention of writing for the Vulgar. He has succeeded admirably. Both his Facts and his Arguments are of that *Calibre*, tho' I fear such an Undertaking has not the Merit of Novelty. To write for low Understandings, and to catch Passions and Prejudices, without convincing the Reason, has been a Device in all Ages.

I too heartily wish the Scuffle between the two Companies a good and speedy Issue: Yet I can't but wish, that the Historical Account had been brought down a Fortnight lower; perhaps the Author could have let us into the Secret of some Things, which at present look mysterious. Many Difficulties want to be solv'd, which he perhaps can give us some Light into, as he lies nearer the Seat of Intelligence.

I suppose you do not mean that I should follow the Author thro' all his Detection and Prevention of Forgeries, his Triumphs over the *African* Company, the *Edinburgh* Society, and the *London* Assurance. Such Things may indeed properly belong to the History of the *Bank* as a Society; tho' as to the present Question, between the two Banks, which I presume is the only Thing you want to be clear'd in, they are of very little Importance. I can guess, that the Inference meant to be drawn from that long Deduction, is, That as the *Old Bank* has hitherto got the Better of all its Opponents, why not of the *New Bank* too? I fear the Consequence is unsound. The *Royal Bank* has already the very same Advantages in Point of Erection and Privilege which the *Old Bank* has; so, I think, had none of its former Competitors; that

that is sufficient to make a wide Difference: But there are other Considerations which may aptly occur hereafter.

THE Author sets out with a general Position, that the *Old Bank* has obtain'd a very universal and good Reputation among all Ranks, tho' the Nation in general knows little about it, except the bare Name, and that the Company lends Money, and has publick Notes running, which are payable on Demand. That the *Old Bank* has kept its Credit very well hitherto no Body denies; tho' I am sorry that our Author should place it on so precarious a Foundation as a blind Acquiescence only. For if that were the single Reason for its Reputation, it is possible that it might lose of its Credit upon better Acquaintance. But he wrongs his Patrons, for the Nation knows a great Deal more Circumstances concerning the *Old Bank*, such as, that the Bank divides 35, 40, 50 per Cent. That with so good a *Dividend* arising from other Peoples Money, it is no Wonder that their Credit has been very great. That such an inviting *Dividend*, is a Thing which they can't think of parting with; that a Man of Estate reckon'd himself Happy, to have an inconsiderable Loan from them, by binding himself and one Cautioner, or more, as good as himself; and that by these Means, their Profit was great, and their Risque nothing. These are Things which their Apologist is in the Wrong to suppress.

IN the second Page, he has blunder'd out a Fact which I should think he had nothing to do with. Was it really so, that at the Erection of the *Old Bank*, the *English* had so considerable a Share, as to intitle them to an Equality at least in the Management! What can be become of all the *English* Proprietors now? And is it from an Advocate for that Company that so much Clamour can proceed against the Concern of the *English* in the *Royal Bank*, where they are not Subscribers for one Third? Surely the Fact must have been otherwise; for if that is true, what becomes of the Author's Argument? But we shall see more of this afterwards.

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THE *Bank* he tells us is a perpetual Company, with exclusive Privileges for one and twenty Years. The Favour of Monopolies is I believe an exploded Doctrine; the old Rule in the *Roman Law*, in explaining doubtful Cases, was *contra Privilegia*. Whether it was a good Politick at that Time to grant any exclusive Privilege (especially where Foreigners were the Majority) is an useless Question now. But this seems to be plain enough, that if a Company, having on their Side the Sanction of Law for a Monopoly, is to be discourag'd rather than promoted; What shall we say of a Company, which pretends to a Monopoly, tho' it has it not? Is not this manifestly the Case? The other Subjects, during the Time of the exclusive Privilege, had (but for the Act of Parliament) the same natural Right with the Bank? The Privilege being expir'd, where is the Injustice of exerting that Right, if they can? Or is it a solid Argument, that because I have had a Monopoly for a Time, therefore I ought to have it for ever? Is not the very contrary of this just and true? Did ever any Nation make an exclusive *Bank* perpetual, or for longer than one and twenty Years? Or if such an Instance can be given, was the Measure right? Nay, does not the very Limitation to a Term of Years condemn every Pretence to Perpetuity, and suppose, that that Term being expir'd, the Thing is to have an End? These are Propositions too evident to be deny'd.

IF the *Old Bank* should reply, we are in Possession, What have we done to deserve to have our Possession disturb'd? The Answer (upon that abstract Question) is plain by another Question, What have we the other Subjects done to be seclused? Or by what Law are we seclused from the Advantages which you enjoy?

IN the same Page 3. he gives a Piece of Instruction to the *Royal Bank*, viz, That all new Beginners in Banking, must ly by for a little, and barely so manage their Affairs, as not to suffer an Affront in their Infancy. If the *New Bank* should

should take this Course, the Author can't deny that they act by Precedent; and if the *Old Bank*, by this cautious Procedure, disappointed the Designs of the powerful *African Company*, the *New Bank* will be apt to draw Consequences, that such a Measure should be as successful to them now, as it was to the *Old Bank* then.

In the 4th Page, the Author answers the Question which I have put above, and which is indeed a very natural One, What became of the Shares of the *English* Proprietors? The Author very frankly owns that they forfeited them, and that the *Bank* sold them for their own Use. The Reason he gives why the *English* suffered them to be forfeited, rather than pay their Call, is, That they were disgusted with the *African Company*, and jealous of the Temper of the *Scots*. Here I could ask many Questions. For Example, What could the *English* at that Time say or think of the Bank? Was not that whole Nation an Exception to the Rule of the Bank's having preserv'd an inviolable Reputation with all Ranks of People? The *English* were angry with the *African Company*: Was that a Reason for their forfeiting their Shares in the Bank, with which they were not angry? This was indeed a very compendious Method of getting rid of Foreigners; and 'tis pity that the Royal Bank did not apply for a Clause empowering them to do such a Thing, tho' they might perhaps not be so ungenerous as to make use of it. In one Place the Author tells us, that the *English*, trusting to the good Management of the *Scots*, gave up their Right to the half of the Direction. In the next Page he says, They were so jealous of them, that they chose to forfeit what they had paid, rather than to pay another Call. Don't you think it likely, Sir, that if the *English* had not parted with their Half of the Management, that Forfeiture would never have taken Place? Well, the *New Bank* has no Reason to despair of getting rid of its *English* Members, by some other Way, if not by this: Very possibly they may be so angry with the *Old Bank*, that,

according to this Author's Reasoning, they will sell out their Shares in the *New*.

THE next material Period, is the *Bank's* Beginning an Exchange Trade, and leaving it off again. They did not succeed in it, and never try'd it a second time. If they had succeeded in that, it would, I will take it upon me to say, have been a more substantial Service than any they have done or can do to the Nation. They would infallibly have sav'd more Money yearly to us, by setting that Matter upon a fair Footing, than their original Payment of *L. 10000* ; but they fail'd : And therefore no Body ever can succeed. I beg Pardon to doubt of the Consequence. Perhaps their Method was faulty, (as I do indeed think it evidently was :) Perhaps that very Method, if warmly pursu'd, wou'd have answer'd at last. The Author indeed, besides their not Gaining (which was Reason sufficient) assigns another Cause of Conscience for leaving off this Trade, because the Bank was the common Repository of the Nation's Cash, and Exchange was the Business of private Merchants, with whom it was Cruelty to interfere. I am inclined to believe, that had the Exchange Trade succeeded, these Scruples would never have been heard of. But is the Bank less the Repository of the Nation's Cash, when it saves Money to the Nation, by dealing in Exchange, than when it empties that Repository into private Hands by Loan ? Or does Exchange so much interfere with private Merchants, as lending Money does with every private Man who has Money ? But what is worst of all, that a Bank should deal in Exchange, is desirable for this Reason only, because it takes the Power of hurting the Nation in that Trade, out of the Hands of private Merchants, who may make a Juggle of it, as we see, and the Nation feels too apparently that they do.

AT last he comes to the final Determination of the Society, *viz.* to lend Money, and to deal in nothing else. I have already said, that this interferes with every Money'd Man :

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But the Author seems to think, that tho' that is an Inconvenience, the *Candor and fair Management of the Directors* ought to overbalance it. That Argument serves for nothing but to inforce a Perpetuity, which the Author always takes the Liberty to suppose. And indeed his Plan is lame without it, for it constantly lands in this, *The Law has made us temporary, but why should we not be perpetual for all that?* But, for God's sake, can no Directors of any Society be candid and honest, but those of the *Old Bank*? Or what can be more candid and honest on both Sides than a Bond to a private Man for borrowed Money? The Course of Usury is small and clandestine, for one usurious Bond there are 500 valid and fair: So there is no need of a Company with candid honest Directors to make the Trade of Lending a candid honest Trade. Therefore, if lending is the proper Business of a Bank, by Reason of the Fairness of Management, Exchange under the same fair Management is much more properly so.

I MAY leave the Author till I come to the twentieth and fifth Page. The Sum of what can be collected from all the intermediate Matter, is, that many Proposals have been made to the *Old Bank* for communicating some Part of their Profits to the rest of their Fellow Subjects, and that as many as have been made have been rejected. The Author gives a Detail of some of the Proposals made. Such Things never come to Maturity in the first Sketch. But it is no hard Matter to observe, from the whole of that History, that the *Old Bank* has stood firm, to crush every Proposal in its Beginning, and in short, that the Answer to every one of them has been uniform and resolute, that the Gentlemen of the *Old Bank* were satisfied with the Gains they have, and were resolved upon no Terms to communicate them to any Body. No doubt if the Answer had been less determined, Meetings and Arguments would have softened the first rude Draughts, but the Gentlemen concerned in the *Old Bank*, it seems, contented themselves in every Case with giving a peremptory and decisive Answer to Proposals
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without making any themselves, or without giving the Proposers any Encouragement to believe that if Proposals, ever so reasonable should be made, they would be listened to. Yet it deserves to be remarked, that the Disdain, the Haughtiness, the Air of Contempt which runs through the respective Answers made to every Proposal, carries the Majesty of a Company perpetually exclusive; and the Tartness, as it is called, of the *Historical Account*, looks like forgetfulness that the *Old Bank* and the rest of his Majesty's Subjects are upon a Level.

BUT to come to what is the more material and more designed Part of his Work, to give a Prepossession against the *Royal Bank*, neither you nor I, Sir, need take the Relation of that upon his Word; Records and Acts of Parliament will speak for themselves, and his own Authority, or that of his Informers, will have little Weight against them. The Design of the Paper seems to be to give an Account, right or wrong, of the *Royal Bank*, as in Opposition to the *Old*; and I need only resume the Substance of Vouchers, which any Body may consult at Pleasure, to fix the Certainty of that History without being obliged either to the *Old Bank* or the *New*.

IT can be no secret, that a great Number of People of all Ranks were Creditors to the Publick in *Scotland*, by Reason of Offices Civil and Military, and that the *Equivalent*, stipulated by the Treaty of Union, fell short of their Payment; That in the 1714 they obtained an Act of Parliament, constituting the Debts due to them, but that no Parliamentary Provision was made for a Fund for their Payment till the Year 1719, when a second Act was made appropriating to that Purpose a yearly Fund of *L. 10,000 Sterl.* payable out of the Revenues of Customs, Excise, &c. preferable to all Payments, except the Civil List. Between the first and second Act, many of the Proprietors being doubtful that any Provision would be made for them by Parliament, and others being prest by necessity, chose to dispose of their Debentures (these were the legal Vouchers ascertaining the Debts due to

the Persons named in them) as they best could, and to the best Bidder. Many of them were carried to *London*, but a very considerable Part of them still remains in the Hands of *Scots* Proprietors, partly out of Choice, partly by Reason of some legal Bars which lay in the Way of issuing Debentures, and partly by purchasing them back from *England*. Thus it may be said of this Company (what could never be said of the *Old Bank*) that it is a Company originally *Scots* only, if that is of any Value in the present Question, as it may soon be made appear that it is of very little.

THE ACT 1719 impowers his Majesty " By Letters Patent to incorporate the Proprietors of this Debt, into a Body politick and corporate, with Powers to do and perform all Matters appertaining to them to do, touching or concerning the said capital Sum, and the yearly Fund payable in respect thereof, as his Majesty by the said Letters Patent should think fit to grant."

IN Consequence of this Power his late Majesty did by Letters Patent in 1724. " incorporate all Persons, who then were, or thereafter should be Proprietors of the Debentures whereby that publick Debt was constituted, to the End they might receive and distribute their Annuity." And by the same Letters Patent, agreeable to the above recited Powers in the Act, 19, " His Majesty covenants and agrees with the Corporation, by these Letters Patent established, that he, &c. shall from Time to Time, upon the Request of that Corporation, give and grant to them such other Powers, Privileges and Authorities which he could or might lawfully grant."

PURSUANT to this Royal Promise, which his Majesty was empowered to make by the Act 19. the Corporation petitioned his Majesty for a Privilege and Liberty to Bank in *Scotland*; and in Pursuance of that Promise, his late Majesty first, and then his present Majesty, granted their Desire; and their first Charter in the 1724, which only specified a Power to receive and distribute their Fund, to all the Proprietors of the

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Equivalent without Exception, who hereby became a necessary Society, is now enlarged to a Power of Banking in *Scotland*, limited to such of the Company as should, on or before *Michaelmas* 1727, subject their Stock or any Share of it to the Trade of Banking; accordingly Subscriptions have been taken in, and of the Sum subscribed (which amounts to L. *Sterl.*) more than two thirds belongs to *Scots*, and the rest to *English*.

AGAINST this Company, it is, that this Author vents so much Spleen; against these it was, that Caveats were entered (tho' it is not easy to say, what Interest a Company had to enter a Caveat, whose exclusive Privilege was expired :) These are they whom the Historian constantly states as the opposite Party to the *Old Bank*, and in short this is the Company which the *Old Bank* seems to defy by this Paper to a fair Trial and Comparison of Forces and Advantages, which for my Part, I can see no Reason why the *Royal Bank* should decline; for setting aside the *Old Bank's* expired exclusive Privilege (which has had no Being these Ten Years) the Case will stand thus.

ON the Part of the *Royal Bank* you have the Proprietors of a Capital of more than L. 100,000 *Sterl.* of which more than two thirds belong to *Scots*, secured by Act of Parliament, preferable to all other Debts of the Revenue of *Scotland*, yielding 4 per Cent. yearly in quarterly Payments, redeemable only on Payment of the Capital, His Majesty impower'd by Parliament to grant what Powers he should think fit, with Regard to that Capital, and accordingly granting the Power of Banking.

ON the Part of the *Old Bank*, you have the Proprietors sometimes of 10000 l. and sometimes of 20000 l. who during their One and twenty Years of exclusive Privilege, and for Ten Years since, have been in the sole Exercise of Banking in *Scotland*, and have dealt so candidly and fairly, that no Body ought to presume to come in Competition with them.

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THE obvious Reflection which arises from comparing these two is, That these candid and fair Dealers have also dealt profitably for themselves, (as it is but reasonable that they should) they have taken very good Payment for all the Service they have done to the Nation; and what Title they, or any other Set of Men have to an hereditary and indefeasible Monopoly of Banking, is hard to understand.

THE Author, before he begins to state and answer the different Charges against the *Old Bank*, obviates a Question, which indeed needs not be obviated. That is, why, at the Union, did not the *Old Bank* procure their Exclusion to be made perpetual? The Answer he makes is so very evasive and unsatisfying, that it may easily be seen he had no better to give. He says such a Thing would have been very easily brought about, but they relied that no *Scotsman* would be so envious as ever to attempt to set up against the *Old Bank*. Is that the Resolution of a thinking Man, or Set of Men, who might have secur'd themselves if they had had a Mind? Would they neglect that Security, and rely merely upon the Supineness of their Fellow Creatures. I call it Supineness, because to see so great a Profit made, to have a Right to do the same Thing, and not to try it, nay not to wish for it, can deserve no better Name. That Answer will never do. As ready as our Parliament was at the Union to accommodate Petitioners, a perpetual Monopoly of Banking was a Thing so manifestly pernicious, that no private Men could have the Assurance to aim at it, far less could any Parliament be so unthinking as to grant it.

THE *First* Thing he complains of is, That the *Old Bank* has been charg'd with Disaffection. Of this Accusation, and of all the others offered against the *Old Bank*, he lays the Blame upon the Agents of the *New*. Who these Agents were, he neither does, nor, by what I have heard, can say. Possibly many of these Allegations he has only from the Agents

gents of the *Old Bank* at *London*, and the Load of Venting and Dispersing them must be laid at the *New Bank's* Door, tho' he would find it hard to make any such Thing appear. The Truth is, that the Generality of the Equivalent Proprietors knew as little of the *Old Bank* as the Author says the People of *Scotland* do, that is, the bare Name, and that the Company had had a seclusive Privilege, which expir'd about ten Years ago. But all these Turns are like *Episodes* to his History, and principally intended for the Vulgar, for whom he professes to write. As to the Accusation itself, I am very glad to hear from the Author that it is not true. I can't deny but that I have often heard, and do still daily hear the leading Men of that *Bank* loaded with that Calumny; however, I dare say the Author speaks from Knowledge, and not from Information, when he asserts the contrary. But let that be as it will, it is unkind in the Author to fix the Propagation of that popular Error upon the Proprietors of the *New Bank*, under so heavy a Penalty, as that for dispersing such a Reflection, it is impossible that they can be good Men, or that their *Bank* can be honest. I can't think any of the *New Bank's* Agents have told such a Story, since the Thing is not true; and I protest I know many People who have, in the Innocency of their Hearts, said the same thing of the *Old Bank*, meaning it, to my certain Knowledge, as a Complement to them; and even I myself have, for ought I know, utter'd some such Thing as true, and perhaps should have gone on in talking of it in that Manner, if our Author had not now, all at once, undeceived me. Still I imagine the Thing lies where it did: For tho' the *Old Bank* is a very well affected Society, yet I hope they will not pretend to a Monopoly of Zeal for the Government: Others are as loyal as they; so they can take no special Merit upon that Score.

UNDER this Head he makes a Digression, concerning the destructive Consequences which this Undertaking of the
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New Bank must have with Regard to this Country; because, says he, their Profits (and the greater these Profits are, so much the worse) must be Yearly exported in the Proportion of 210 to 40, for that it seems is the Proportion of the *English* Proprietors beyond the *Scots*. Where he has had that Information I can't tell; but sure it has not been from the Subscription Books; for if he had taken the Pains to look at these (which I believe any Body might have done, or may do still) he would have found that the *English* Proprietors are to the *Scots* not quite 21 to 4, but less than 1 to 2. I fear some Agents of the *Old Bank* have been our Author's Informers as to this Slip in Point of Fact, but he professes not to stick obstinately to his Assertions, when they are not true; so I spare him, for I do not incline to use his Tartness against the *New Bank* as a Precedent.

As to that Third (or less) which belongs to the *English*, it is possible that sometime or other it may fall into the Company's Hands by Forfeiture, and then his Objection is at an End: But till that happy Time shall come, I shall give you, Sir, the Sum of what casts up to me concerning that dreadful Exportation.

I can't think the Author will place the common *Dividend* of 4 per Cent. belonging to the *English* Proprietors, to the Account of the *Royal Bank*. That they have nothing to do with: The *English* Proprietors bought it at a Market Price from such of the *Scots* as did not care to keep it: So the whole Question is concerning the Profits of Banking.

I shall suppose (and the Author cannot quarrel the Supposition, because it is his own) that 10000, 20000, or at most L. 30000 in *Specie*, is sufficient to circulate all the Credit, which it is proper for the Nation that a Bank should have.

Lastly, I shall suppose, that this *New Bank* is Yearly to make a *Dividend* equal to the latest and highest made by the *Old Bank*, then the Account will stand thus: While
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three Tenths remain in *Specie*, the *English* Proprietors will have in *Scotland*, let me call it as a round Sum, *L.* 10000 and for that *L.* 10000 they will draw *L.* 1500 Yearly, which is *L.* 1000 Yearly more than the Interest of their Money. Can the Historian be in Earnest in his judicious Prefages of dismal Consequences to the Country, from the Exportation of one single thousand Pounds a Year? Was such a Sum worth all this Alarm? Or is the Outcry intended only for the Vulgar? Surely even the Vulgar, when they see that this is demonstratively the utmost Stretch of the bad Consequences he foretells, will cease to tremble. And that it can go no higher, the Author himself helps me to prove; for he lays it down as an *Axiom*, that the *Quota* of Credit in a Banking Company, must be proportion'd to the Stock of *Specie* in the Nation, learn'd and understood by long Experience. He says, that he himself has had long Experience; and likewise he says, that the *Old Bank* has been manag'd with great Prudence, and as much for the universal Accommodation and Benefit of the Nation, as the Nature of a *Bank*, and the Circumstances of the Nation allow. That being the Case, the *Old Bank* having made as large *Dividends* as can be made by Banking in this Country, and their highest *Dividend* being the Foundation of this Estimate, the National Loss, by the Exportation so much exclaim'd against, can beyond Contradiction never exceed *L.* 1000 *per Annum*, even with all these Aggravations.

The other Branch of his Prefage, that the *English* must either continue for ever the Proprietors, or the *Scots* must buy them out at an extravagant Price, carries its Answer in its own Bosom. For he tells us in another Place, that this equivalent Stock is dead, can't be rais'd or turn'd into Money, yields but 4 *per Cent.* and can't be improv'd. Where is the Danger of the *English* continuing Proprietors of such an unprofitable Stock? Or how is it consistent that such a Stock should rise to an extravagant Price? Therefore, one
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of two Things must be true; either this Stock cannot be so unimproveable, as he calls it, or his Bugbear of an extravagant Price will not carry Terror enough even to frighten the Vulgar. But supposing the Stock of that Company to rise, that very Rise proves that the Undertaking has been useful and profitable: If the *English* stay in, they can (as has been shown) draw no greater Yearly Sum than L. 1000, besides the Interest of their Money: And if they draw out, they can only draw a Sum corresponding to that, which sure can be no Reason for rejecting such a Thing, if it is otherwise Good. But supposing this unimproveable Fund bearing 4 *per Cent.* Interest, I can see no Reason why the Proprietors should be hinder'd to advance *Specie*, and let their Stock ly dead at 4 *per Cent.* their *Specie* is as good as that of the *Old Bank*, and their Fund bearing 4 *per Cent.* Interest, is certainly better than a bare Subscription, which imports no more than an Obligation to pay Money, under the Penalty of losing the Money advanc'd.

THE Author goes on to his Objections and Answers; the first Four are, That the *Bank* Capital is small, and that they refuse to assume Partners to enlarge it; That the Directors are too narrow in their Loans; That they are too nice and scrupulous in requiring Security; And that the *Bank* does not lend on Pledge. You may easily see, that all the other Three depend upon the Truth of the Second, that the Directors of the *Old Bank* have been too narrow in their Loans; for if that is true, it certainly must proceed from a Narrowness in their Capital, their not calling for the whole of their Subscriptions, their not assuming Partners, or their narrow Administration. As to the *Third* and *Fourth*, they are but Branches of the *Second*, and different Modes of Narrowness. I may appeal to you, Sir, and to every Man in the Country, whether this Narrowness has not been the universal Complaint of the Nation these many Years. If it has been so, (and that is undeniable) one would have expected some more

more satisfying Account of the Reason of it than that in general, the Directors are all convinc'd that their Management is not narrow at all; and that these, who scruple giving the Security they require, are Men who could not give it if they would. Of this, Sir, you and I know the contrary, but all this of our Author is *gratis dictum*. If he had prov'd that one Point, either from Reason or Fact, he would have done the *Old Bank* more solid Service than these two *Quarto* Volumes can do them. But barely to deny an Objection without answering it, where it is founded upon Notoriety, I own does not satisfy me. Still the same positive Answer is made to all Questions and Demands: Your Loans, and the Terms of them are too narrow, extend them. They are extended enough. Your Capital is too small, enlarge it. It is large enough. Then call for the Whole of it. We have call'd for enough. But how do ye make all this appear? We think so, that is and ought to be sufficient. And then if an Attempt is made to supply these Defects, the Cry opens, A Plot against the Bank of *Scotland*, Rivals of the Bank, who won't allow the Directors to be the infallible Judges of the Wants of the Country; and at the same Time these Directors will not deign to let the Nation know upon what that infallible Judgment is founded.

THE *Fifth* Objection he brings to be answered, is, That the Bank does not deal in Exchange; but this must be stated in its full Meaning. It is not, that the Bank does not engross Exchange, so as that none but themselves should deal in it, for that would be ridiculous and impossible, as it would be for the Bank to engross lending Money to the Exclusion of moneyed Men. In both Cases there would be enough of Business left for the fair honest Factor, and the Candid Lender. But the Objection is this, that the Bank, within whose Power and Province it is, to regulate the Course of Exchange, and from whom that Piece of Service to the Country has been always expected, as well as the Loan of

Money to supply immediate Necessity (that in the one Case unfair Dealing in Exchange might be discourag'd, and in the other Usury might be prevented) should nevertheless neglect that valuable Branch of the Nation's Expectation, and suffer us to be made a Prey of, as we have certainly been. All this could have been done with Discretion and Safety, and fair Dealing in Factory could have been accommodated instead of being made impracticable. Had the Objection been stated in this Form, the Author's Answers would easily appear to have miss'd the Force of it: But indeed he must be at some Disadvantage in answering such an Objection, for it was once the Opinion of a General Court of the *Old Bank*, that it would be a right Thing for them to deal in Exchange, and they plainly had Reason on their Side in thinking so: For what Sums might not have been sav'd to this Country, if the *Old Bank* had uniformly from the Beginning follow'd out that rational and meritorious Scheme?

THE *Seventh* Objection he makes is a chimerical One indeed, that the *Bank* does not lend upon the Credit of their Stock. They are certainly in the Right on't: No such Loan ought to be tolerated. For what is the Stock, or where is it to be found upon which such Loans could proceed. Not on the *Specie* call'd in, for that is the only Pledge for the *Bank's* fair Management, besides to lend Money upon that *Specie* (as he very justly observes) is in other Words to withdraw the Pledge; far less can that Loan be upon that Part of the Subscription not call'd in: Credit must not be built on so airy a Foundation, besides who can answer that tho' the Borrower might be a Man of sufficient Credit, the Share might not come by a Transfer unto the Hands of a Man not worth a Groat? The Author tho', might have considered that the three tenths paid in by the Subscribers of the *Old Bank* (One of which is but lately paid in too) is all the Security the Nation has from them; for the Security which he gives us of the Candor and fair Management of the
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Directors seems to be too personal and temporary. I pass over many of the Objections which he raises and answers (and they may well be called of his own raising, for he cannot disparage the *Royal Bank* so much as to think they can make Use of them.) I should have been satisfied to have had more Room to consider the main Objection, *Narrowness*, from which those four he mentions, and many more not mentioned, but fully as material, flow; but as he does not vouchsafe to give it an Answer, the World must rest in its former Opinion that it is unanswerable, as every thing must be which is founded on certain Fact, and which almost every private Man has seen and known.

THE Author in the 39th Page may be said to enter upon the proper Business of an Apologist. It is a hard Thing to defend the late Conduct of the *Old Bank* upon the Prospect of a Rivalship. Lending is superseded, a Tenth is called for from the Proprietors, and all their Debtors threatned with Diligence for a certain Part, or for the whole of their Debts, which Diligence has been since executed. At first View this should look liker distressing the Country to show their Power and Importance, than providing for their own Security. Let any Mortal examine this Measure; does it look like Precaution or not? Was it at the Country which they had served (as they say) faithfully for 31 Years, and which had paid them richly for their Service, that they were displeased, or at the *New Bank*? If at the last only, why did they not confine their Spleen to such of the Proprietors of that *Bank* as were their Debtors? Why did they carry their Revenge (as it is universally known they did) to every one who had the least Relation, Alliance, Friendship, or Connexion with the Proprietors of that *Bank*? Nay (if it were not that I would seem to call in Question the undoubted good Affection of the *Old Bank*) I might ask why were the first Examples of their Wrath made out of the most known Friends of the present Establishment, and

and why were the disaffected remarkably and visibly spared?

BUT where was the need of involving the whole Body of the Nation in this ill Humour, supposing they had made no Distinctions at all? Another Society offers a Pledge in Value quadruple to theirs, and of which the greatest Part never can be withdrawn from being a Pledge. This Society vested with proper Powers, both from the Legislature and the Crown, is willing to serve the Country as a *Bank*. Something must be done to prevent this. The Country must be distressed and harraßt. All the Paper Credit which the *Old Bank* gave must be withdrawn, and great Multitudes of People must be called upon to pay in a vast Sum of Money by a precise Day. Can a Bank ever be supposed to do a Thing more pernicious to a Nation? Can this be construed to have been done with any other View than to perpetuate to themselves the Business of Banking. Is that fair? Is it consonant to the Intention of the Legislature when they made them Temporary? Is it consistent with the Stipulation made by the Legislature when the Bank accepted this temporary Privilege? Is not this pressing of the Nation disabling every other Man or Company from relieving it? And after all this, is it candid or honest to pretend Self-defence, when not only they have given the Shock, but have made it unsafe for any Body to interpose so as effectually to redress it? And yet this Company with a grave Face says to the Country, suffer us to ruine private Credit, suffer us to distress the whole Nation; you the Sufferers must not only not complain of us, but you must join with us against a Company which would relieve you, if we would let it be possible for them; and which would introduce that dangerous Innovation of serving you, on at least as easy Terms as we have done. Theirs is the Blame in envying us, and rather than so audacious an Attempt should succeed, it is the Part of the Nation to suffer with Patience till we shall triumph over our Opponents and make every

every Projector of bettering the Country, at our Expence think what he does before he ventures to rival the *Bank of Scotland*.

THIS I say should seem to be the Intent of that Measure. But this Author tells us that all this was a false Construction; that it was only the *Equivalent Society* who spread the Story, as if all this was done to pinch the Country, and to bully the Government; and that no Demand was made at that Time upon the Bank's Debtors. Sure he will not say that such a Demand has not been made since. If it has, the Bank's best Friends, who (as the Author says) condemned that Measure when it was not true, can surely not approve of it now that it is true? Let those of the Country speak well of this Piece of Conduct, who did not ly at their Mercy on who felt it if they did. The happy few have escaped my Knowledge.

THE Author, in the 41st Page, answers for Articles, wherewith the *Old Bank*, he says, has been charg'd; *First*, That they refused to lend Money to the Government. And as to this, nothing can be more satisfactory than his Answer, which is, likely to be true, *viz.* That the Government never desired any Loan from them. The *Second* is, That they refused to keep a Correspondence with the *Bank of England*. And to this he answers, *That there was never a Proposal for Correspondence between the Bank of England and the Old Bank. If such a Proposal had been made, it would have been accepted of, unless it had been prejudicial to the Country, and any such Proposal the Bank of England would not be so unreasonable as to make.* I doubt there is something couch'd under this. I would ask the Author one Question, Did the *Bank of Scotland* ever make any Proposals to the *Bank of England*? If they never did (as I believe the Author will admit) I think the Charge still stands unanswered. For what a false Notion of Dignity and Point of Honour must it have been, that so advantageous a Correspondence to this Nation, as that of the *Bank of England*, should be uncultivated, because the *Bank of Scotland* disdained to speak first? Perhaps

haps such Proposals as might have been of great Advantage to *Scotland*, might have been rejected, perhaps not; but who could know that till it should be tried? Or where was the Harm, what Honour could be lost in making the Trial? Does this look like Attention to the Welfare of the Country? I may say it without Disparagement to the Bank of *Scotland*, that the Bank of *England* is the more important and powerful Company of the two, and tho' the Advantages of a Correspondence would certainly be expected to be mutual, yet the Bank of *England* might well afford to be contented with a smaller Profit; so the greatest Advantage would have been upon the Side of the *Scots Bank*, and from that Consideration it would have been reasonable for them to have made the first Advances; for if the Bank of *England* had courted that of *Scotland*, they would have done what no body could have expected from them.

HIS Answer to the *Third Charge* of refusing Proposals of Coalition from the Equivalent Company, is both an Answer and a Reply; namely, *That no other Proposal of Coalition ever was made besides one*, which he has set down at large, with the Bank's Answer to it. Let any one examine that Answer, and then say whether, after such an Answer, it could have been to the least Purpose for the Equivalent Company, or any other Company to make new Proposals: For the Answer carries this along with it, that neither these Proposals, nor any others, could possibly be received. The Reasoning proceeds thus.

ADMITTING (as the Historian lays it down) that the *Old Bank* must subsist always precisely in the same Form as it did before the Determination of the exclusive Privilege; that is, that the subscribed Capital of the Bank must never be more nor less than *L. 100000*.

ADD to this, That the Bank Proprietors are able and willing to pay down this *L. 100000*, and yet that one or
two

two Tenths of that Sum is fully sufficient to circulate all the Credit this Nation can bear.

So long as these are the *Postulata* of the *Old Bank*, in every Answer to every Proposal (which in effect is a downright Refusal to treat at all) would it not be very idle in any Society to give them the Trouble of a second Application?

To the *Fourth Charge*, That the Bank refused Exchequer Notes, he answers, *That no Exchequer Notes ever were offered to them.* But supposing the Charge had been made in these Terms; That the Bank refused Proposals (and beneficial ones too) for circulating Exchequer Notes, I would willingly know what his Answer would be? He certainly can't be ignorant of the History of the Bank in the Year 1707, and if he remembers the Transactions of that Year, he will not deny, that four Gentlemen, Commissioners of the *Equivalent*, vested with proper Powers from the Bank of *England*, did in their Name propose to the Directors of the Bank of *Scotland* to enter into Terms for circulating a large Sum in Exchequer Notes, and that they offered the same Benefit to them which the Bank of *England* had from the Government. Here was not only an Act of *Parliament* narrating a Credit of Loan (which was all that was necessary by the Bank's Act of *Parliament* to authorize their lending to the Publick) but besides that, they had the Credit of the Bank of *England*: Yet this Proposal was by the Directors absolutely refused. No Wonder then that Exchequer Notes never were offered at the Bank.

IN the 43d Page he declaims upon the Disadvantages of the *Royal Bank's* Foundation. He says first, *That there is no Stock of Money provided by the Charter for supporting it.* Next, *That the Calls will not answer.* Thirdly, *That the Stock can neither be raised nor touched.* And lastly, *That if the Parliament shall redeem the Annuity by Payment of the Capital, the Bank must cease.*

By the Author's Favour, not one of these Remarks are just or true, and he himself shows you in the very next Page, that the first is a Mistake; for he admits, that by the Foundation a Sum equal to the Half of the Stock may be called for. Pray what was the Stock of Money provided by the *Old Bank's* Act of *Parliament* for supporting it? Was it any other than a Power to make Calls from the Subscribers? And has not the *Royal Bank* such a Power?

THAT the second of the Calls *not answering is false*, he and every Body else must know, for they have already answered to a much greater Extent than the Author cares to seem conscious of; nay, he himself afterwards gives a long historical Narrative from which any Body may gather, that the *Royal Bank* has now in Specie in their Possession, more than the three Tenths paid in to the *Old Bank* by their Proprietors.

BUT when this Matter is look'd into, it will appear, that as paying Interest upon a Government Security is evidently a milder Penalty, so it is also much more secure.

FOR put the Case that each Bank has drawn in by Calls L. 30000.

THAT after a long Dealing in Business they have lost (no Matter how) each L. 40000; and that this is universally known.

How shall this Loss of L. 10000 be made up to the Creditors? The *Old Bank* can do it no otherwise than by calling from their Subscribers, and they may call till their Hearts ake before they are answered: For a Man who has lost Three Tenths won't care to lose a Fourth if he can help it; so their old Method of Forfeiture will do them no Service.

ON the other Hand, the whole Stock of the *Royal Bank* is by their Charter subjected to the Operations of the Bank, so that it cannot possibly be withdrawn; for should the Share pass thro' a hundred different Hands, still the Burden of the Debt of the Corporation is a Thing inseparable from

from it, therefore the Creditors in the L. 10000 I need not say would draw their Payment at last (for that is obvious;) but I maintain would have direct Access to it. For the Credit of the Publick is so well established all over *Britain*, that there neither is, nor, humanely speaking, can there be any Difficulty to raise upon a Debt secured by *Parliament*, in some one Place or other in this Island, a Sum to ten Times the Extent of the Capital of both Banks put together.

IT is not unlikely that the Author, in descending to this Particular, has had the Vulgar in his Eye. But what has been said may be sufficient to set that Matter in a truer Light; for tho' the *Royal Bank* has not that desirable Penalty against Persons refusing to pay up their Calls, that they can forfeit a Third of their Proprietors at a Blow: Yet if Nine Parts in Ten of the Proprietors should refuse to pay up their Calls, let the Straits of this Nation be what they will, the Sum call'd for will always be had in a Fourt-night from the Time assigned for the Proprietors to pay it in; and that upon no other Security than the Penalty in the Charter, *viz.* Sequestration of the Stock and legal Interest.

FOR all these Reasons one would have thought, that this Historian would have been better advised, than to enter into a Comparison between the Security which the Subject has in dealing with the *Royal Bank* and with the *Old*. All the Security from the last is, L. 30000 paid in. This L. 30000 will certainly remain as a Pledge so long as considerable Profits can be made upon it, making such a Dividend as 15 *per Cent.* but if by superseding Loans or otherwise this Profit should cease, what Security has the Nation that the Stock shall not in a very few Years be divided away, and the Pledge by such Means withdrawn? The Author mentions one Sort of Security (and indeed it is the only one) *That the Managers of the Old Bank, as they have*

the Safety of the Government, so they have the Advantage and Peace of the Nation first and chiefly in View, rather than the Profit of the Adventurers. So long as the Directors are of this virtuous and Self-denied Disposition, no doubt the Pledge will remain safe: But Men, besides being mortal, are frail and variable, and at least this may be fairly concluded from what has been said, that this publick Spirit is the only certain Security we have.

ON the other Hand, the *Royal Bank* has perhaps L. 50000, but certainly L. 30000, which must in every Sense be as good a Pledge as the L. 30000 of the *Old Bank*, which may be kept or withdrawn as it happens. Besides this, the *Royal Bank* has more, viz. L. 100000 of a Debt due by the Publick, secur'd by Parliament, and the Annuity due upon that Sum in a regular Course of Quarterly Payment. This is a Pledge for the Nation's Security which can never be withdrawn, but must be (as I said before) subject to the Contractions of the Company: Nay further, If the Directors of the *Royal Bank* please, and if they find such a Thing likely to be useful or necessary, they can double this Pledge, and instead of L. 100000 make it L. 200000 to the Nation; as all this is over and above, at least, an equal Sum of Specie to what our Historian can pretend to belong to the *Old Bank*, I must say once more, that I wonder what tempted him to a Comparison of Forces so very unequal.

HIS 3d Remark, That the Stock of the *Royal Bank* is dead and can't be touch'd or rais'd, is certainly true in one Sense, that it cannot be withdrawn, but must remain as a fixt and unalterable Security to all such as deal with the Bank. But if he means that it can be no Fund of Credit, so as that they may borrow Money upon it, the Author has already seen the contrary happen, and may see it again, as often as the Directors shall find it necessary or useful for the Nation.

THE last Observation, That the Society must cease upon Redemption of the Capital, is entirely without Foundation.

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In all Appearance this Fund will not be redeemed for a great while; but if it should, when that happens, the *Royal Bank* will be then in at least as good a Condition as the *Old* is now; that is, the Sums paid in by the Subscribers will ly as a Pledge for the Security of the Nation. But what is to hinder the Adventurers to lay out their Capital anew upon another Pledge, which may be equally profitable to them, and secure to the Nation: For the *Royal Bank* must admit, that without some such Pledge, no Nation can be secure. If the Author means, that by the Redemption of the Capital, the very Society dies, he mistakes, for there is no such Limitation contained either in the Act 1719, or in their Charter.

THE last of this Author's Annotations upon the Constitution of the *Royal Bank*, which I shall take Notice of is, his Exception to the Shares of that Bank as not affectable by Arrestment. This Objection in every View it can possibly be taken, implies an Absurdity. Does the Author mean, that by reason of that Particularity, no Man ought to trust the *Royal Bank*? The direct contrary is consequential from that Privilege, which has no other Meaning than this, that the Bank and its Creditors are preferable upon the Stock of every private Proprietor, to the Creditors of that Proprietor: This instead of destroying their Credit, is the main Thing which should raise it.

OR does he mean, that no Man will lend a Bank Proprietor Money, because his Shares are not arrestable? Sure if he lends Money upon the Credit of that Stock which he knows not to be arrestable, he has no Body to blame but himself. But what is this to the Nation?

OR perhaps he means that no Man will lend Money at all, because the Debtor may disappoint him by buying *New Bank* Stock, and running away. If this was true, it would stop all Sorts of Credit at once. But shall no Man lend, because it is possible he may lose the Debt? Is buying Bank Stock the only Way by which a Man can cheat his Creditors?

tors? If he has a mind to run away, can't he sell his Estate? Can't he convey it in Trust even beyond the Reach of Justice, which, as we know, happens every Day, notwithstanding all the good Laws against it? Can't he buy a snug Office for Life, of which the Salary is not arrestable? All these and many more Ways there are of playing the Knave, if a Man has a mind to't, without buying *New Bank* Stock.

WELL, supposing *New Bank* Shares not to be arrestable, I take it for granted that *Old Bank* Shares are. Let us see what the Consequence is comparatively. Suppose it to be the Opinion of a considerable Body of the *Old Bank* Proprietors, that some other Consideration, besides the Benefit of the Adventurers, or of the Nation, is at the Bottom of this Obstinacy of the Managers, which makes them so Deaf to all Sollicitations of Bystanders, who having no immediate Concern in either Bank, were willing to interpose and use their good Offices in quieting Matters, and relieving the Nation from the Distress brought upon the Debtors of the *Old Bank*. I say, supposing that many of the Proprietors are of this Mind, and that the Creditors of such Proprietors should arrest their Shares, and that these Shares should be order'd to be sold by the Company to answer a supervenient Call, but that before this Sale, Decree of Furthcoming is obtain'd by the Arrester; Let the Author tell me, is the Bank preferable to the Arrester or not? If he says it is not, there's the Call fairly disappointed: And if he says it is preferable, he must own that his Objection against the *New Bank* falls.

BUT where is the Need of all this Speculation? The *Old Bank* has L. 30000 in *Specie* paid in, the *New Bank* has as much distinct from their Stock: If the one L. 30000 is arrestable at the *Old Bank*, the other L. 30000 is by the same Rule arrestable at the *New*. But from the Whole, tho' there is nothing in the Objection, one may plainly see, that very ill Use may be made of Arrestment by bad Men if they find themselves straitned.

I am now at the last Thing worth examining in this dissentatory History, that is, the Anecdote concerning what past in the Meetings of the Trustees for Manufacturing. As to the lending of the publick Money, the Author could have had his Information only from such Gentlemen as were Members, and present at these Meetings. I have been at Pains to inform my self from many of the Trustees, and according to their Report, our Author's History of that Matter comes out very partially, not to say worse.

THEY all agreed in assuring me, that of the three Gentlemen whom the Author names, not one dissented from the Vote he speaks of: And I have Reason to believe, that two of these Gentlemen, if any Body should ask them, whether they dissented from that Day's Vote or not, would answer, that they gave no Vote, but that they did not dissent. Indeed one of the Three, as the Meeting was breaking up, desir'd that it might be mark'd in the Minutes that he did not Vote, which to the rest look'd liker Jest than Earnest. At the next Meeting the same Gentleman offer'd a Paper, containing (as he said himself) Reasons why he did not Vote, that is, in other Words, Reasons why he was not clear in his Opinion. This was something so unprecedented, and favour'd so much of the Spirit of Dissention, that the Trustees refus'd (with very good Reason) to allow so ridiculous a Demand to appear upon the Face of their Minutes, unless the Gentleman would point out one Instance of such a Proceeding in any Society on Earth, which he did not, nor do I believe he could do.

THE Historian complains that the Trustees prefer'd the *Royal Bank* to the *Old Bank* as to the Loan of the L. 20000 of publick Money. I dare say he would have done this in a more mannerly Way, if he had recollected, that these Gentlemen acted under an Oath of Fidelity. The charitable Construction to be put on their Resolutions, was, that they did according to their best Judgment. I think what has been already

ready said, might convince an impartial Man, that they judg'd right; tho' the Historian says, That if the *Old Bank* had got this *L. 30000* they would have reliev'd the present Straits, which I take to mean precisely this and no more, that they would have accommodated their Favourite Debtors to that Extent, and have let the rest take their Fate.

THAT the Bank should stop Payment, is no absurd Supposition. It has happen'd oftner than once, and to justify the Measures of the Trustees, it has happen'd again since publishing this very History. How would in that Case the Quarterly or half Yearly Payments to the Manufactories be made effectual? Would they be satisfy'd with Notes which could not yield ready Money, even tho' these Notes should bear Interest?

IF the Historian should reply, That if that Loan had taken Place, they would always have kept as much *Specie* in their Hands as to answer the Demands on that Account. Is not that preferring one Creditor to another? Is not that against Law? Would the Courts of Justice permit it? Would their Creditors stand by tamely and see it? No, they can't stop Payment as to one Creditor, and keep it open as to another; they must pay their Notes in the Order they come in, so long as there is Sixpence in their Treasury.

BUT again, what Security could the Trustees have, that in case of a Stop, the Creditors of the *Old Bank* should not by legal Diligence hinder that any Money at all should come into the Bank from their Debtors? Or that the whole *L. 30000* should not be drawn away by Arrestments and Furchomings? And then where was their Security for their *L. 20000*?

NONE of these Inconveniencies occur'd in lending this Sum to the *Royal Bank*, for there they have the whole Stock in Security of the Capital lent, and likewise the Quarterly Annuity; so that the Capital is secur'd to the Publick, and the Interest both secure and punctual to the Manufactures.

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THE Historian offers two Arguments to prove that this Loan to the *New Bank* was unwarrantable, first for the Trustees to give, and next for the *Royal Bank* to take, because says he, *No Money can be lent, according to the Patent, to the Trustees, or any in Trust for them, and because the Company may borrow on their Bills or Notes payable on Demand, and therefore he argues not on Time.*

As to the *First*, He still forgets that the Gentlemen were on Oath, and he must forgive them if they did not sit silent where their Judgment was convinc'd. But how in all the World is this Loan for the Use of the Trustees? Does he think that the *Royal Bank* is but a Name interpos'd, and that it is a Trust for the Trustees? Or is he in Earnest when he gives it as his Opinion, that the Trustees could not lend this Sum to any Company, of which they themselves were Members? The Trustees have but a very small Share in the *Royal Bank*, but he might maintain with as good Reason, that they must lend to no Man in *Scotland*, because they are *Scots Men*.

As to the other, tho' his Inference were conclusive, (as it is not) he might have taken the Pains to consult his own *Appendix* where the subsequent Words of the Charter are engrossed in these Words, "Or in such other Manner as the said Court of Directors shall think fit any Sum or Sums of Money whatsoever." Words cannot be more explicate for authorizing the Bank to borrow for Time as well as on Demand. But who makes this Objection? Surely none concerned in the *Old Bank*. They are in the self same Case: For in all the Copy of their Act of Parliament, as this Author has printed it, there is not one Word directly authorizing them to borrow either upon Notes payable on Demand, or at Time.

I come at last to the Author's final, and (as he calls it) comprehensive Truth, which may be very comprehensive for ought I know, but true it is not. For first it is not true *That the Royal Bank has exerted the utmost of their Power in this Matter.*

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The Author can easily figure to himself many Things which they could do, and yet have not done. If they ever exert their Power it must be in Defence of the oppressed Debtors of the *Old Bank*, which usurping a seclusive Right of Banking after the Term granted by the Legislature's expired, will rather plague, harass and undo the Country than part with it : And to hope for support from the Favour of those whom they now persecute, is not a very modest Expectation.

THE *Royal Bank* likewise denies the Charge of hoarding up all the *Specie* they can, without affording Relief to the Country, nor can the Historian name his Authority for it. It is indeed highly probable that the Directors of the *Royal Bank* manage their Affairs in the Manner prescribed by the Author (Page 3 and 4) that is, so as not to have the Risk of any Run upon them, for it is not likely that they will care to ly at the Mercy of the *Old Bank*. It is likewise probable that they have lent, and will lend their Money in such a Way as it shall not come directly and immediately to answer the Views or Purposes of the *Old Bank*. But as to all these Matters the People are appealed to, and the best Rule for them to judge by, both concerning the one Bank and the other, will not be what either of them says, but what they do.

I am, &c.



